

Minutes of the Meeting of October 31, 2014

of the

MASSACHUSETTS TEACHERS' RETIREMENT BOARD

I. Regular Matters of Business

In attendance at this regular meeting of the Massachusetts Teachers' Retirement Board ("the Board") were Chairman Jeff Wulfson, Vice Chair Nicola Favorito, Richard L. Liston, Karen A. Mitchell, Dennis J. Naughton, Joannah M. Quinn, Anne Wass, Executive Director Joan Schloss, Deputy Executive Director Erika Glaster, Assistant Executive Director Sean Neilon, General Counsel James Salvie, Disability Case Manager Rob Fabino, and Executive Assistant Helen Petruzziello.

The meeting was called to order at approximately 9:01 a.m.

The minutes of the previous Board meeting, held on September 26, 2014, were reviewed and approved as submitted on a motion made by Ms. Wass and seconded by Mr. Naughton. The motion carried 6-0-1, with Ms. Quinn abstaining due to her absence from the September meeting.

VOTED: The Open and Executive minutes of the Board meeting held on September 26, 2014, are hereby approved as submitted.

II. MyTRS Project Summary Report

Brian McKinney, Project Manager of Vitech, and Andrew Flewelling, Senior Analyst, KPMG, Susan Morgan, Director of Strategic Planning and Project Management and Lisa Maloney, Director of Project Management Office joined the meeting. Mr. McKinney gave the Board a quarterly status report on recent activities and progress.

Ms. Schloss provided historical background information on the inception of the MyTRS project following the termination of the initial unsuccessful attempt at E-Retirement. Mr. Flewelling recounted L.R. Wechsler's lessons learned review and recommendations. Ms. Morgan detailed the structure of the project formed from those recommendations and Ms. Maloney recalled the procurement process for the backfile conversion and the implementation timeline of the new system. Ms. Morgan provided

the Board with the total cost of the project to date and the future expenses left to pay. The Board asked questions on the expected life of the system and thanked everyone for their efforts.

III. Open Session

A. PROPOSAL OF EXPENSES RELATED TO INFRASTRUCTURE REPLACEMENT

Ms. Morgan presented the projected expenses to replace the hardware and software for the replacement of the MyTRS infrastructure due to the expiration of warranties. On a motion made by Ms. Wass, and seconded by Mr. Liston, the Board voted 7-0 to approve the proposed expenses.

Ms. Morgan, Ms. Maloney, Mr. McKinney and Mr. Flewelling left the meeting. The Board recessed at approximately 10:23 a.m. and reconvened at approximately 10:30 a.m.

IV. Executive Session

A motion was made by Ms. Mitchell and seconded by Ms. Wass, to enter into Executive Session in order to review applications for disability retirement and potential forfeiture of retirement benefit. On roll call, the vote was as follows:

VOTED: Vice Chair Nicola Favorito	Yes
Karen A. Mitchell	Yes
Richard L. Liston	Yes
Dennis J. Naughton	Yes
Joannah M. Quinn	Yes
Anne Wass	Yes
Chairman Jeff Wulfson	Yes

At approximately 10:30 a.m. the Board went into Executive Session. The Chairman stated that the Board would return to Open Session.

At approximately 12:19 p.m. the Board reconvened in Open Session and Chairman Wulfson announced the Board's actions during Executive Session on the following items.

ORDINARY DISABILITY RETIREMENT

1. Edward Barrett

The application of Edward Barrett for ordinary disability retirement benefits was reviewed, together with the medical panel reports and other information. On a motion to approve the application for ordinary disability retirement, made by Mr. Liston and seconded by Mr. Naughton, the roll call vote was as follows:

VOTED: Vice Chair Nicola Favorito	Yes
Karen A. Mitchell	Yes
Richard L. Liston	Yes
Dennis J. Naughton	Yes
Joannah M. Quinn	Yes
Anne Wass	Yes
Chairman Jeff Wulfson	Yes

VOTED: The application of Edward Barrett for ordinary disability retirement benefits was approved.

2. Douglas Souza

The application of Douglas Souza for ordinary disability retirement benefits was reviewed, together with the medical panel reports and other information. On a motion to approve the application for ordinary disability retirement, made by Ms. Mitchell and seconded by Mr. Liston, the roll call vote was as follows:

VOTED: Vice Chair Nicola Favorito	Yes
Karen A. Mitchell	Yes
Richard L. Liston	Yes
Dennis J. Naughton	Yes
Joannah M. Quinn	Yes
Anne Wass	Yes
Chairman Jeff Wulfson	Yes

VOTED: The application of Douglas Souza for ordinary disability retirement benefits was approved.

ACCIDENTAL DISABILITY RETIREMENT

1. Lynnly Crane

The application of Lynnly Crane for accidental disability retirement benefits was reviewed, together with the medical panel reports and other information. On a motion to approve the application for accidental disability retirement, made by Ms. Mitchell and seconded by Ms. Wass, the roll call vote was as follows:

VOTED: Vice Chair Nicola Favorito	Yes
Karen A. Mitchell	Yes
Richard L. Liston	Yes
Dennis J. Naughton	Yes
Joannah M. Quinn	Yes
Anne Wass	Yes
Chairman Jeff Wulfson	Yes

VOTED: The application of Lynnly Crane for accidental disability retirement benefits was approved.

2. Olga Cortes

The application of Olga Cortes for accidental disability retirement benefits was reviewed, together with the medical panel reports and other information. On a motion to deny the application for accidental disability retirement on both medical conditions, made by Ms. Mitchell and seconded by Ms. Wass, the roll call vote was as follows:

VOTED: Vice Chair Nicola Favorito	Yes
Karen A. Mitchell	Yes
Richard L. Liston	Yes
Dennis J. Naughton	Yes
Joannah M. Quinn	Yes

Anne Wass	Yes
Chairman Jeff Wulfson	Yes

VOTED: The application of Olga Cortes for accidental disability retirement benefits was denied on both medical conditions.

POTENTIAL FORFEITURE OF RETIREMENT BENEFIT

1. Walter Welch

The Board considered testimony, proposed findings of fact, conclusions of law, and recommendations of action in the potential forfeiture under G.L. c. 32 § 15 (4) of Walter Welch. On a motion made by Ms. Mitchell, and seconded by Mr. Liston, the Board voted to not forfeit Walter Welch's retirement benefit because his conviction occurred before the Gaffney decision and thus was not applicable to his office or position, the roll call vote was as follows:

VOTED: Vice Chair Nicola Favorito	No
Karen A. Mitchell	Yes
Richard L. Liston	Yes
Dennis J. Naughton	Yes
Joannah M. Quinn	Yes
Anne Wass	Yes
Chairman Jeff Wulfson	No

VOTED: To not forfeit Walter Welch's retirement benefit because his conviction occurred before the Gaffney decision and thus was not applicable to his office or position.

V. Open Session

B. TERMINATION RETIREMENT

Ms. Glaster presented the termination retirement application of Robert Houlhut. The Board concluded that Mr. Houlhut was terminated involuntarily, not offered a similar position and there was no moral turpitude surrounding his termination. On a motion made by Ms. Wass, and seconded by Mr. Liston, the Board voted 7-0 to approve the application.

C. PROPOSED LEGISLATIVE CHANGES: CHARTER SCHOOL MEMBERSHIP AND FORFEITURES

Mr. Salvie presented two proposed legislative changes, one to address a recent decision by the Contributory Retirement Appeal Board allowing for private charter school management companies' eligibility for membership in the system, and an amendment addressing benefit forfeitures, for those convictions that are similar to the recent *Garney* case. On a motion made by Ms. Mitchell and seconded by Mr. Liston, the Board voted 7-0 to approve and submit the proposed legislative changes.

D. EXECUTIVE DIRECTOR'S REPORT

1. Ms. Schloss and Mr. Neilon updated the Board on a meeting with PERAC concerning the exclusive benefit rule.
2. Ms. Schloss asked for the Board's permission to include The Massachusetts Teachers' Retirement System in the list of members of the National Association of State Retirement Administrators, National Conference on Public Employee Retirement Systems, and the National Council on Teacher Retirement on a response letter to the Actuarial Standard Board's request for comments concerning the application of the Actuarial Standards of Practice in regard to actuarial valuations and other analyses used for determining public pension and other postemployment plan funding and accounting. On a motion made by Mr. Naughton, and seconded by Mr. Liston, the Board voted 7-0 to approve the inclusion of The Massachusetts Teachers' Retirement System on the list of members.

On a motion made by Mr. Liston and seconded by Ms. Mitchell, the Board voted unanimously to adjourn the meeting at approximately 12:43 p.m.

Respectfully submitted,

Joan Schloss, Executive Director

Date

Documents used in MTRS Board meeting of October 31, 2014

- Agenda for October 31, 2014 MTRS Board meeting
- Cover letter from Executive Director
- Open and Executive minutes of September 26, 2014 MTRS Board meeting
- Documents pertaining to MyTRS Board Report
- Documents pertaining to termination retirement
- Memorandum pertaining to draft legislation
- Memorandum pertaining to approval of expenses related to MyTRS infrastructure replacement